STATE OF CALIFORNIA

JOHN CHIANG,
California State Controller

STATE CONTROLLER'S OFFICE PERSONNEL/PAYROLL SERVICES DIVISION P. O. BOX 942850 Sacramento, CA 94250-5878

DATE: June 30, 2008 PERSONNEL LETTER #08-004

CIVIL SERVICE ONLY

TO: All Agencies in the Uniform State Payroll System

FROM: Don Scheppmann, Chief

Personnel/Payroll Services Division

RE: PAY DIFFERENTIAL CHANGES

The following Department of Personnel Administration staged/non-staged persability pay differentials and the recruitment and retention (R & R) pay differentials for specified classifications at the Department of Forestry and Fire Protection have authorized changes effective July 1, 2008 or later.

R&R Pay Differentials
354*
364*
369*

The State Controller's Office (SCO) will manually update the affected employees' employment history records for all above pay differentials except those identified with an asterisk as follows. The updates will be completed by master payroll cutoff, July 22, 2008. Departments will need to process the changes for the asterisk pay differentials.

$\underline{MOVEMENT\ FROM\ 3^{RD}\ STAGED\ PERSABILITY\ TO\ 2^{ND}\ STAGED\ PERSABILITY}$

For employees who will be moving from the 3rd staged persability to the 2nd staged persability effective 07/01/08, SCO will be processing a SAL transaction effective 07/01/08 to delete the 3rd staged persability earnings id, add the 2nd staged persability earnings id and change the based on salary rate. The difference between the deleted and added earnings id amounts will be absorbed into the based on salary rate. This will increase the amount of salary considered persable. The employee's salary total will not change.

$\underline{MOVEMENT\ FROM\ 2^{ND}\ STAGED\ PERSABILITY\ TO\ FULLY\ STAGED\ PERSABILITY}$

For employees who will be moving from the 2^{nd} staged persability to full persability effective 07/01/08, SCO will be processing a SAL transaction effective 07/01/08 to delete the 2^{nd} staged persability

earnings id, change the based on salary rate and change the alternate range code. The amount of the deleted earnings id will be absorbed into the based on salary rate. Per this change, the pay differential will now be entirely persable. The employee's salary total will not change. The employee will also be moved into the new alternate range code designated for fully persable rates per the applicable alternate range criteria.

DEPARTMENT RESPONSIBILITY

Pay Differential 365 will require earnings id changes effective 10/09/08 and Pay Differential 372 will require earnings id changes effective 01/01/09. In addition Pay Differentials 354, 364 and 369 may require earnings id changes effective 07/01/08. It will be the departments' responsibility to identify the employees affected by these pay differential changes and process the appropriate EH transactions to effect the change.

These changes must be processed by the master payroll cutoff for the pay period of the effective date to avoid overpayments and resulting retroactive adjustments. See the pay differential specifications for the information to effect the changes.

TELEPHONE CONTACTS

Questions regarding this Personnel Letter should be directed to Jeanna Bowe at (916) 322-3899. Questions related to EH/Payroll processing information should be directed to the following contacts:

Salary Program	DPA	(916) 324-9381
EH Procedures	Personnel Operations Liaison Staff	(916) 322-6500
Disability Procedures	Disability Liaison Unit	(916) 322-3619
General Payroll	Payroll Liaison Unit	(916) 323-3081
Procedures		

DS:JB:PMAB